

# News from Ed Markey

**United States Congress**

**Massachusetts Seventh District**

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## **MARKEY SAYS CABLE REPORT COMPELS FCC ACTION TO RESTRAIN RATES, PROMOTE COMPETITION**

**WASHINGTON, DC** - U.S. Representative Edward J. Markey, (D-MA), Ranking Democrat on the House Telecommunications, Trade, and Consumer Protection Subcommittee issued the following statement today regarding the release by the Federal Communications Commission (FCC) of its annual cable competition report:

"The FCC's competition report amply demonstrates why the Commission must take action soon to restrain excessively high cable rates and to spur competition to cable monopolies. It is increasingly clear that the current FCC consumer rate protections are overly generous to cable monopolies.

"Chairman Kennard noted today that several areas of the Commission's regulations governing the cable industry may need to be revisited. Chairman Kennard also concurred with my assessment that the March 31, 1999 date for ending consumer price protections on most cable programming is an unworkable date in light of the current dearth of affordable competitive alternatives to cable monopolies. I commend the Chairman for pointing the Commission in the direction of fully investigating and reevaluating current rules. I urge the Commission to move swiftly to assess what changes must be made to remove the ability of cable monopolies to charge unreasonably high rates.

"The FCC's report shows that rates are increasing nationally at a pace multiple times the rate of inflation. It is also evident that where head-to-head competition exists consumers are not subjected to rate increases from incumbent cable operators. In short, competition works to provide a marketplace check on the ability of cable monopolists to raise rates excessively. In the long term, competition is the answer to high cable rates and I support action that the Commission can take to spur greater competition to incumbent cable monopolies through modifications to program access regulations and other Commission regulations. For most of America's cable consumers however, the Commission's report also underscores the point that competitive alternatives are probably years away from providing them with an affordable marketplace choice.

"The Commission has the responsibility to fulfill the requirements of the 1992 Cable Act and consumers expect the FCC to do its job. The Commission also has the ability to breathe new life into marketplace alternatives to the cable industry. Any action taken to increase competition, however, does not obviate the need - or the congressional mandate from the 1992 Cable Act - to ensure that cable rates are reasonable. I remain hopeful that the Commission will use the information from the report released today to further investigate the source of problems in the current rules and revise such consumer rate protection rules accordingly."

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